

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO

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In re:	:
	:
THE FINANCIAL OVERSIGHT AND	:
MANAGEMENT BOARD FOR PUERTO RICO,	:
	:
as representative of	:
	:
THE COMMONWEALTH OF PUERTO RICO <i>et al.</i> ,	:
	:
Debtors.	:
-----X	

PROMESA
Title III
Case No. 17-BK-3283 (LTS)
(Jointly Administered)

ANSWER TO OBJECTION TO CLAIM

**(39TH OMNIBUS OBJECTION (NON-SUBSTANTIVE) OF THE PUERTO RICO
HIGHWAYS AND TRANSPORTATION AUTHORITY AND THE EMPLOYEES
RETIREMENT SYSTEM OF THE GOVERNMENT OF THE COMMONWEALTH OF
PUERTO RICO TO DEFICIENT CLAIMS)**

**AND REQUEST FOR CONTINUANCE
OF THE INSTANT MATTER FROM THE JULY 24, 2019 HEARING**

CREDITOR QUEBRADA BONITA CRL, through its undersigned attorney, hereby states
and prays the following, in response to the objection identified below:

1. On 6/27/2018 creditor Quebrada Bonita CRL¹ (“CBC”) filed Proof of Claim 55278 for \$65,000 against debtor EMPLOYEES RETIREMENT SYSTEM (“ERS”, or “Debtor”).
2. On 6/6/2019 Debtor filed its 39th Omnibus Objection (Non-substantive) of the Puerto Rico Highways and Transportation Authority and the Employees Retirement System of the Government of the Commonwealth of Puerto Rico to Deficient Claims (ECF 7248), and included the appearing creditor’s claim (Item #68 in the list attached as Exhibit A thereto, at page 12 of 17) with the following reason for objecting:

¹ Due to a typographical error in the Proof of Claim (and thus in the objection) this creditor is referred to as **Quabrada** Bonita, instead of Quebrada Bonita.. It is requested that Proof of Claim 55278 be deemed amended to correct said typo.

Reason: Claimant purports to assert liabilities associated with mutual funds and/or bond(s) not issued by ERS or any of the other Title III debtors, and fails to provide any basis or supporting documentation for asserting a claim against ERS, such that the Debtors are unable to determine whether claimant has a valid claim against ERS or any of the other Title III debtors.

ANSWER TO OBJECTION

3. There seems to be a misreading of the attachments of our PoC 55278:

a. Said attachments include a list of various balances owed by various debtors involved in the above captioned Title 3 cases (page 10 of 21 of PoC 55278);

b. ERS is listed in said statement as follows:

Entity: **EMPLOYEES RETIREMENT SYSTEM**

CUSIP: **29216MAF7**

Amount: **\$65,000.00**

(Copy of said page attached for ready reference.)

c. The PoC also includes a copy of the statement issued by the bank (ORIENTAL FINANCIAL SERVICES CORP for the period of March 1, 2018 - March 31, 2018) which further identifies and details the \$65,000 claimed as follows:

ORIENTAL FINANCIAL SERVICES CORP

March 1, 2018 - March 31, 2018

FIXED INCOME (continued)

Municipal Bonds (continued)

**5 EMPLOYEES RETIREMENT SYS GOVT COMWLTH
PUERTO RICO**

*INSTL SR PENSION FDG BDS 2008 5.850% 07/01/23 B/E DTD
01/31/08CALLABLE 07/01/18 @ 100.000*

SECURITY IN DEFAULT 1ST CPN DTE 03/01/08

CPN PMT MONTHLY ON 01

Moody Rating C S & P Rating D

TAX EXEMPT - PUERTO RICO RESIDENTS ONLY

Security Identifier: 29216MAF7

65,000.000

(Page 13 of 21 of PoC 55278; copy of said page attached for ready reference.)

4. Hence, the afore cited “basis” for the objection (“... purports to assert liabilities associated with ... bond(s) not issued by ERS ..., and fails to provide any basis or supporting documentation for asserting a claim against ERS ...”) is an incorrect reading of what the PoC actually states, and such bare (and erroneous) assertions are legally insufficient to sustain the objection to the allowance of the claim, or defeat the presumptions of Section 502(a) of the Bankruptcy Code (“A claim ..., proof of which is filed ..., is deemed allowed ...”) and Rule 3001 (f), Federal Rules of Bankruptcy Procedure (“Evidentiary Effect. A proof of claim executed and filed in accordance with these rules shall constitute prima facie evidence of the validity and amount of the claim.”).

5. We include as Exhibit 1 hereof a certificate of 7/5/2019 by ORIENTAL FINANCIAL SERVICES CORP attesting that the appearing creditor is still the holder of the bonds in question.

REQUEST FOR CONTINUANCE

6. The foregoing strongly suggests that the objection was filed in error, and will most probably be withdrawn. (The undersigned is contacting the attorneys for Debtor to clarify this matter and discuss this probability.)

7. In any event, should the objection not be withdrawn, the appearing creditor needs a continuance of this contested matter, scheduled for the hearing of 7/24/2019. The creditor moves the court to adjourn the matter for 60 days for the following reasons:

a. Attorney Maricarmen Ramos de Szendrey, who is the principal in charge of the corporate creditor will be out of Puerto Rico attending matters related to the medical treatment of her husband.

b. The objection, as explained above, appears to be the result of a misreading of the documents, that should be clarified, and corrected with the withdrawal of said objection.

c. If no such result is achieved through the ongoing endeavors with attorneys for Debtor, we may need time to get further evidence from the broker or any indenture trustee involved with

these investments, in order to supplement (or amend) the claim, as needed.

8. The continuance requested does not affect the progress of ERS reorganization in any way, and is not interposed with the purpose of delaying the case.

WHEREFORE, it is respectfully requested that:

- a. the 39th Omnibus Objection (ECF 7248), be overruled, as it pertains to PoC 55278 of Quebrada Bonita CRL; or
- b. that this matter be adjourned for 60 days; and
- c. that Proof of Claim 55278 be deemed amended to correct the typographical error in the name Quebrada Bonita CRL, instead of **Quabrada** Bonita.

I hereby certify that on this date I electronically filed the forgoing, with the Clerk of this Court using the CM-ECF system which will send notification of such filing to all CM-ECF participants registered to receive notices in the case at bar.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico this 5th day of July, 2019

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